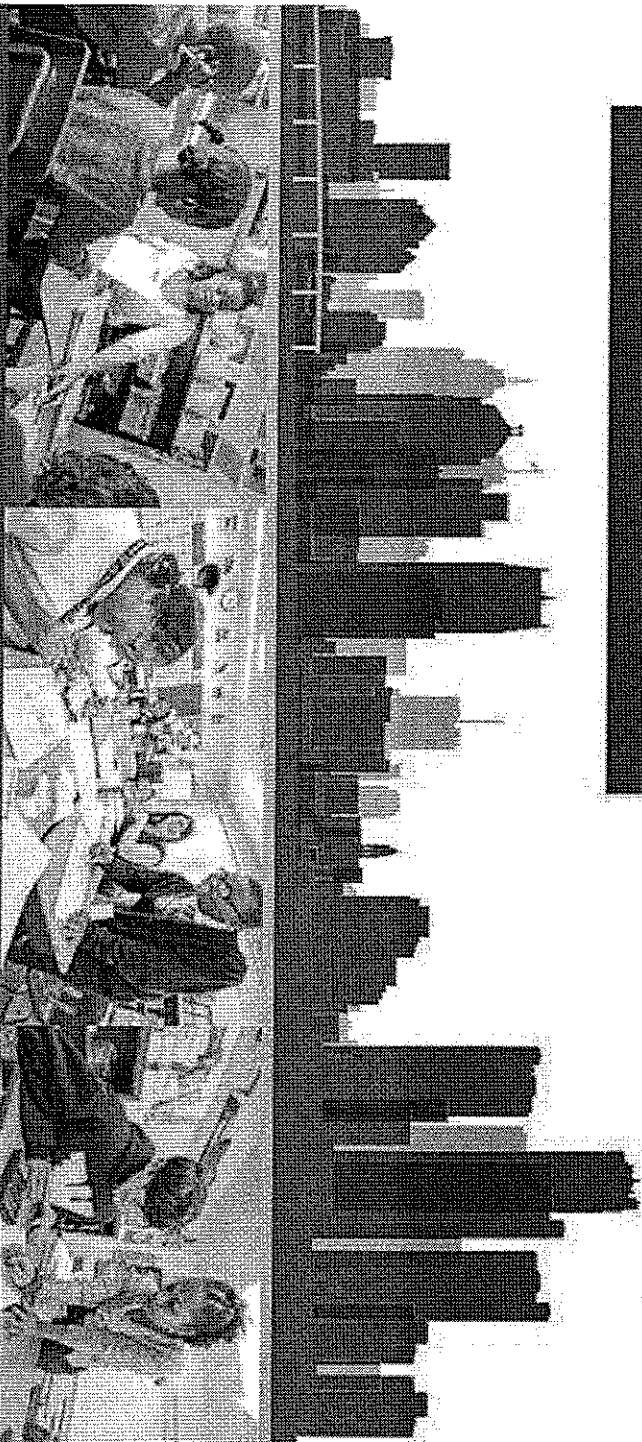


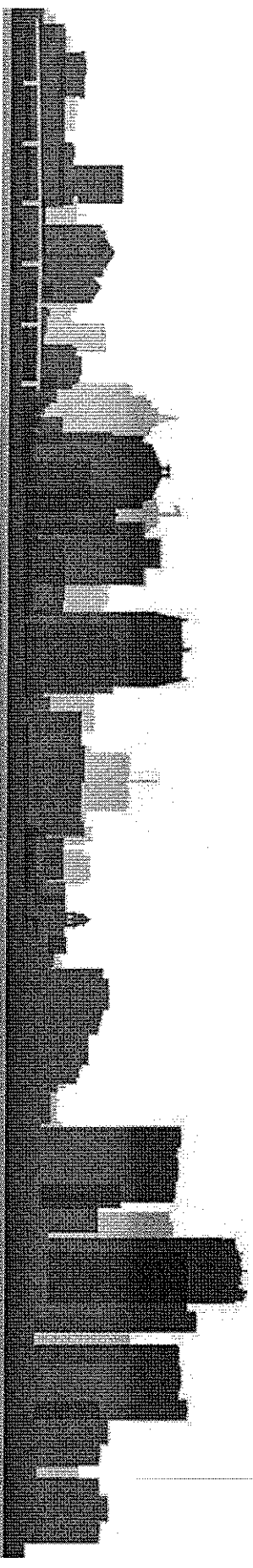
THE CHOICE IS OURS



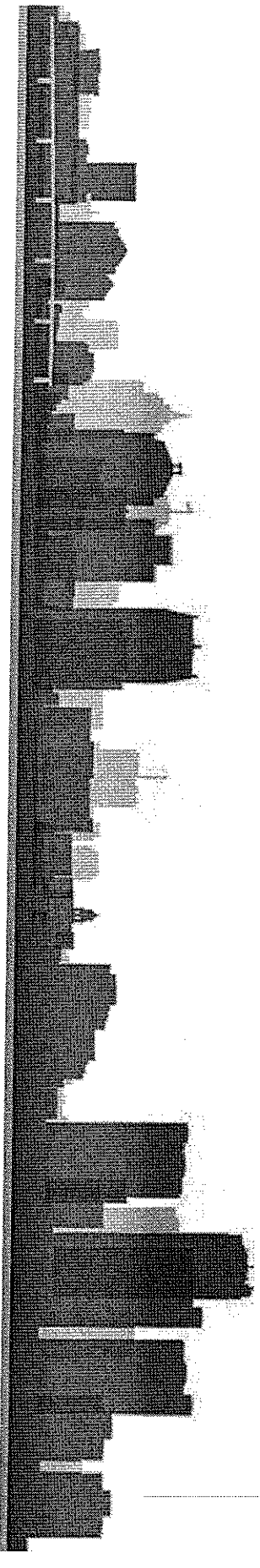
Road to excellence for troubled Michigan schools begins in Detroit

Overview

- DPS debt
- Education commission
- Local responsibility and accountability
- Academic transformation



Address DPS Debit

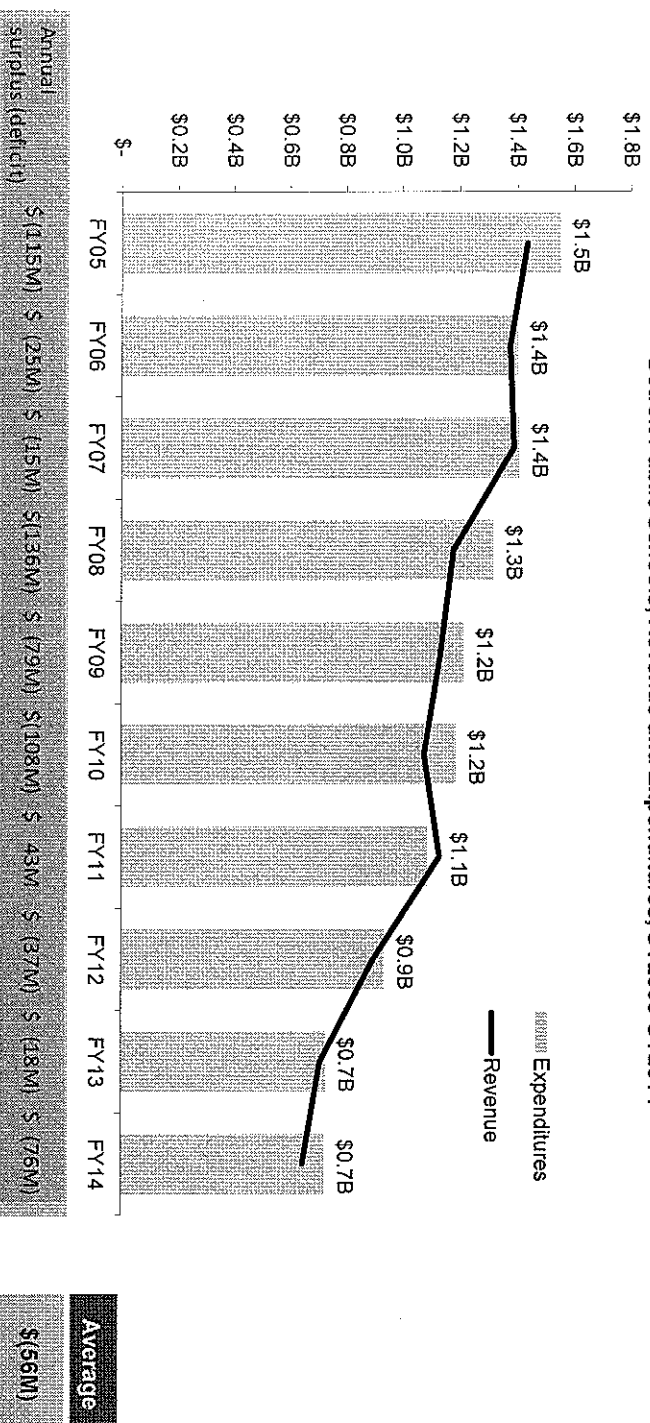


Market conditions enabled downward spiral

Constrained DPS ability to adjust to rapidly declining enrollment, compounding debt

	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15 (estimate)	% Change
Expenditures	\$1.56B	\$1.40B	\$1.40B	\$1.32B	\$1.21B	\$1.18B	\$1.09B	\$934M	\$726M	\$721M	~\$720M	-64%
Enrollment	141.1K	130.7K	118.4K	106.4K	95.5K	84.9K	75.2K	66.7K	51.3K	48.5K	47.2K	-67%
Buildings	233	227	195	194	165	189	123	94	91	91	91	-61%

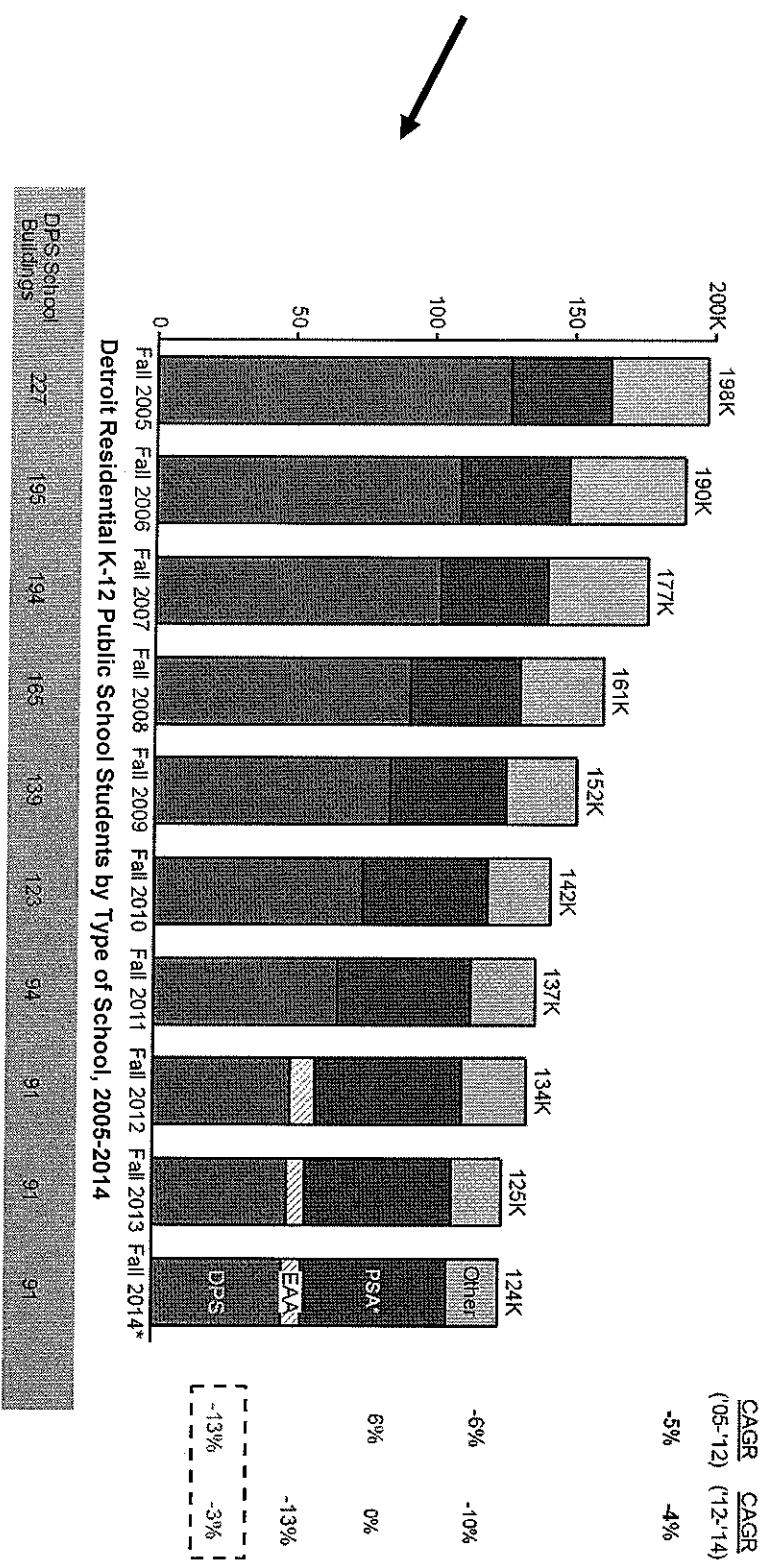
Detroit Public Schools, Revenue and Expenditures, SY2005-SY2014



Source: Detroit Public Schools 2014 Comprehensive Annual Financial Report

Many factors contributed to declining enrollment

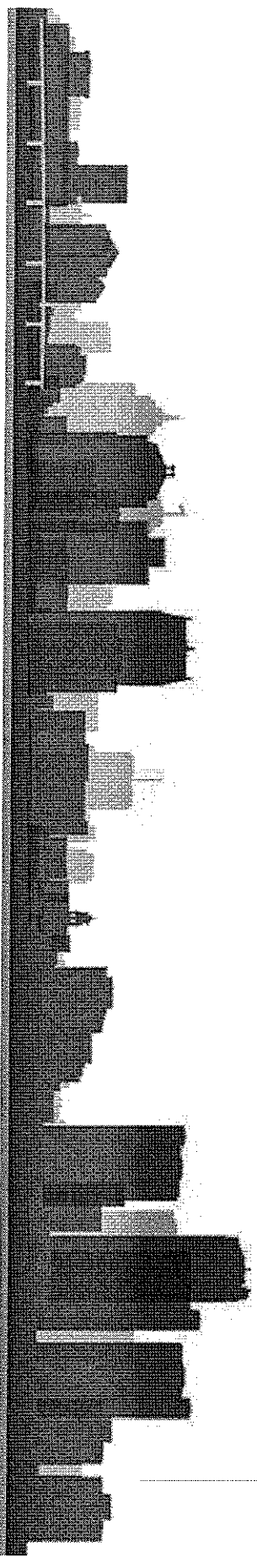
Detroit's K-12 population has lost 65k students in the last 10 years as population declined and charters flooded the marketplace; an increasing percentage of remaining students choose DPS alternatives



Note: *The number of Detroit residents in PSAs is estimated in 2014; PSA includes charters within Detroit and outside of Detroit and is sourced from DPS data on PSA enrollment
Source: Detroit Public Schools; Michigan Department of Education; CAFFR; U.S. Census

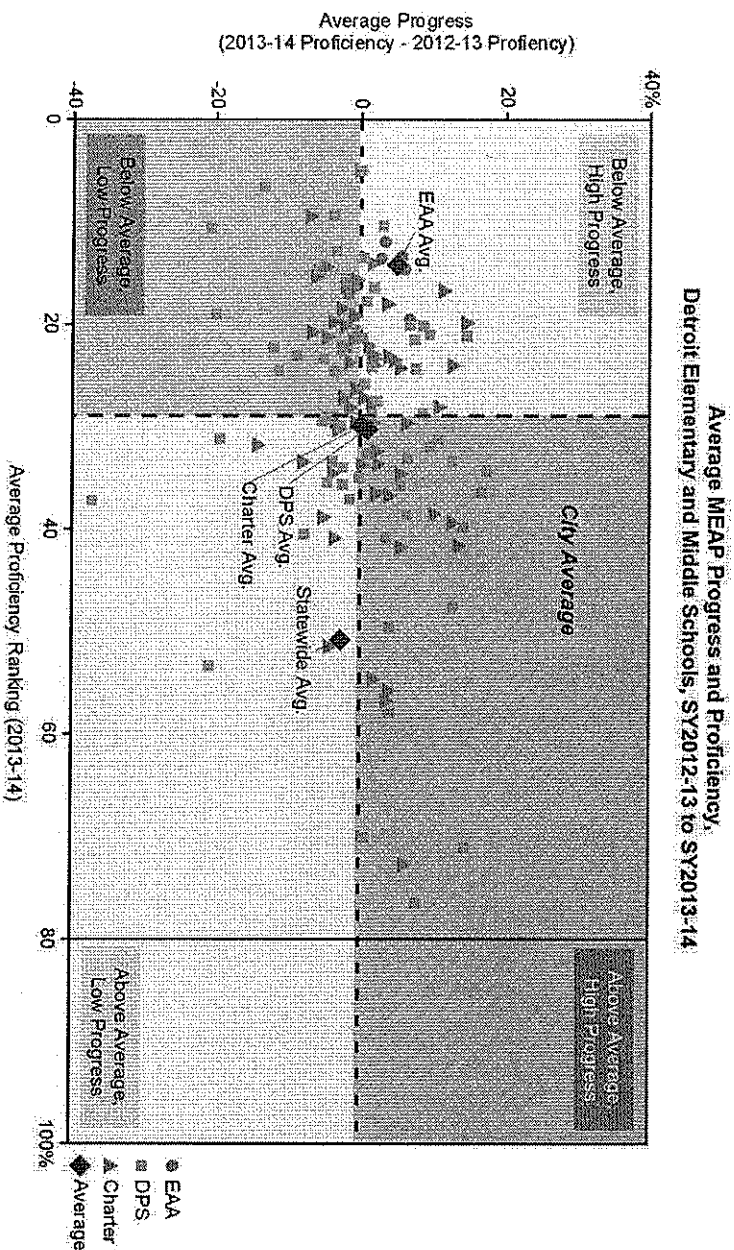
All Schools in Detroit are Underperforming

Solving DPS Debt is Not Enough



Public schools in Detroit are not educating kids

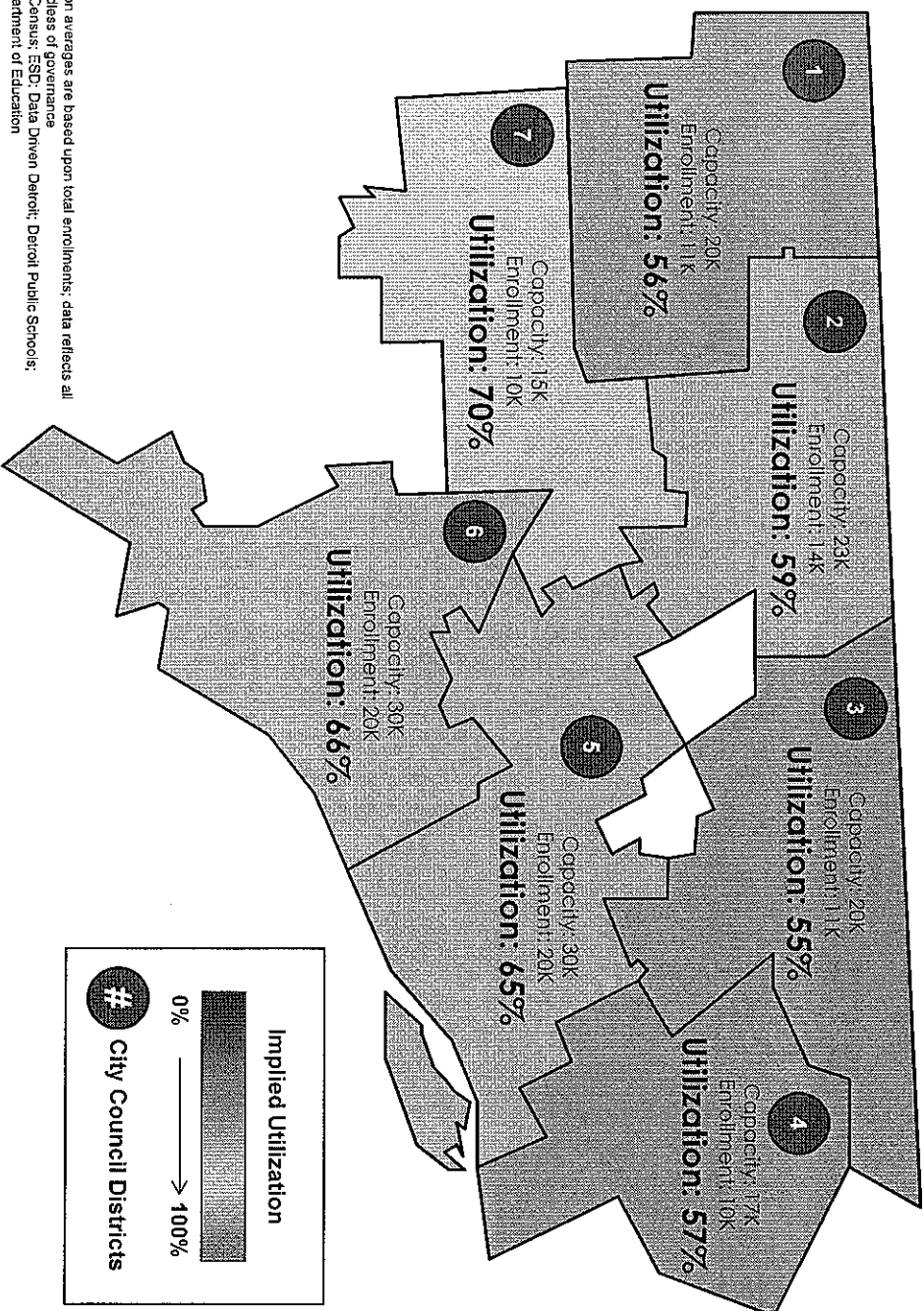
Most DPS and charter schools performing well below state performance benchmarks – not just a DPS problem



Note: The universe of schools above includes schools based in Detroit; the cut point methodology is the average of 4th and 8th grade reading and mathematics scores, weighted by the number of test-takers assessed in each Detroit school.
Source: Michigan Department of Education; Partisan Analysis

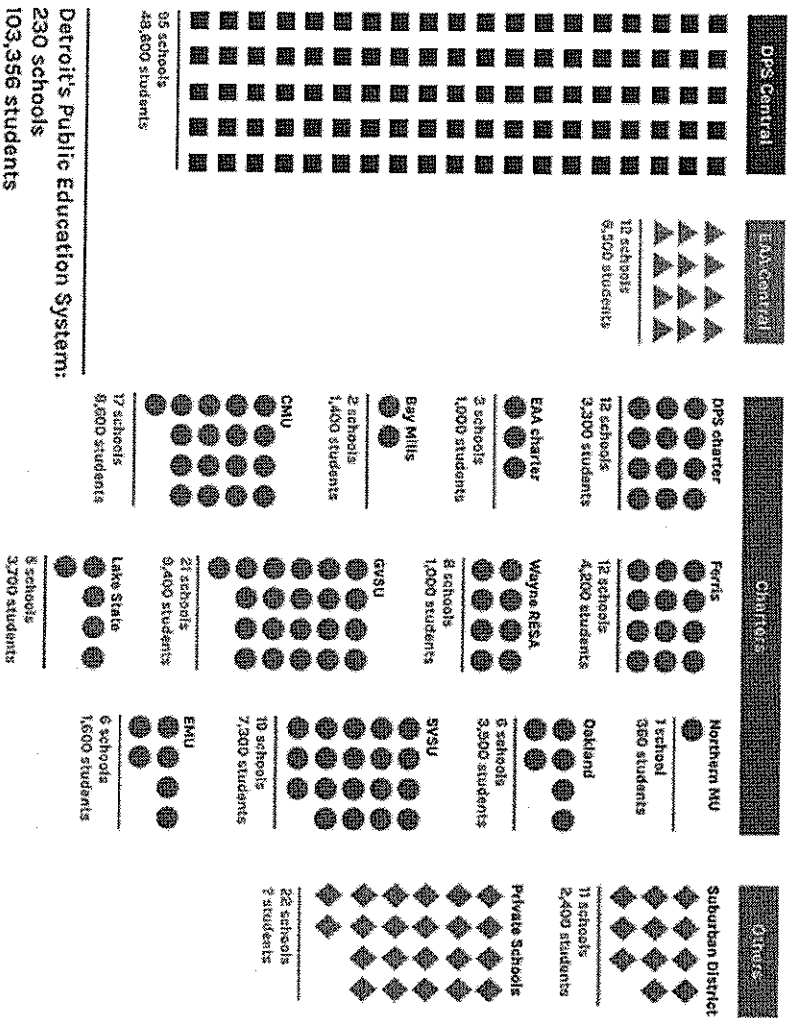
Supply of public schools in Detroit does not match where kids are

Taxpayers pay for empty seats in DPS and charters



Note: Utilization averages are based upon total enrollments; data reflects all schools regardless of governance
Source: U.S. Census; ESD; Data Driven Detroit; Detroit Public Schools; Michigan Department of Education

There are 14 entities that can open and close schools in Detroit
 Not one of them is locally controlled



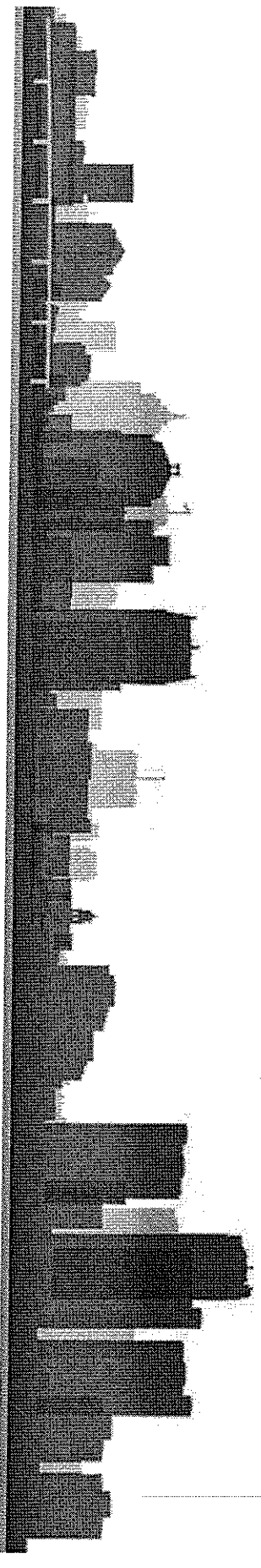
Source: Excellent Schools Detroit, 2014

DEC is critical for transformational change

- **Choice isn't enough** – families need *quality choice*
- All schools must be held to **same high standard**
- Need instrument for **local accountability and engagement**
- **Must enable marketplace** to attract the best (not limit choice)

Back to the Classroom

10-year plan to transform academics



School reform is a long-term endeavor that Detroiters must lead
With debt relief, local control + DEC in place, implement 10-year academic transformation plan



Supporting Schools

- Well-planned landscape of high quality schools
- Clear & rigorous accountability standards
- World class educators
- Empowered parents, students & community

Supporting Students

- Accessible & quality early childhood systems
- Citywide youth development & enrichment opportunities
- Social & emotional supports for students & caregivers
- College & career exposure, readiness & support

BOTTOM LINE:

A solution is possible

Get the **debt** off the backs of kids.

Put the **reforms** in place to address root causes.

Give Detroit schools back to Detroiters.



